

State of Tennessee DEPARTMENT OF ENVIRONMENT AND CONSERVATION DIVISION OF WATER RESOURCES

William R. Snodgrass - Tennessee Tower 312 Rosa L. Parks Avenue, 11th Floor Nashville, Tennessee 37243-1102

January 26, 2015

Mr. Craig T. Mullinax Water Division Manager Cleveland Utilities

e-copy: cmullinax@clevelandutilities.com

Subject: Inter-basin Water Transfer Permit No. IWT000007

Cleveland Utilities

Cleveland, Bradley County, Tennessee

Dear Mr. Mullinax:

In accordance with the provisions of the Tennessee Inter-basin Water Transfer Act, Tennessee Code Annotated, Sections 69-8-201 through 69-8-212, the enclosed Inter-basin Water Transfer Permit is hereby issued by the Division of Water Pollution Control. The continuance and/or reissuance of this Permit is contingent upon your meeting the conditions and requirements as stated therein.

Please be advised that you have the right to appeal any of the provisions established in this NPDES Permit, in accordance with Tennessee Code Annotated, Section 69-8-206, and the General Regulations of the Tennessee Water Quality Control Board. If you elect to appeal, you should file a petition within thirty (30) days of the receipt of this permit.

If you have questions, please contact the Chattanooga Environmental Field Office at 1-888-891-TDEC; or, at this office, please contact Mr. Jim McAdoo at (615) 532-0684 or by E-mail at *Jim.McAdoo@tn.gov*.

Sincerely,

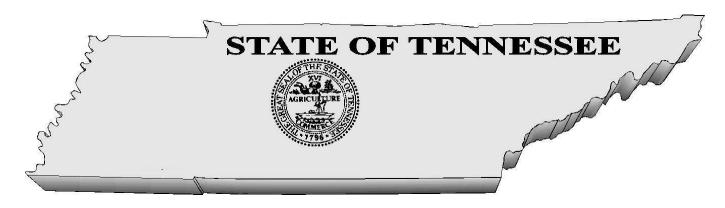
Vojin Janjić

Manager, Water-Based Systems

cc: Permit File

Jennifer.Innes@tn.gov, Chattanooga Environmental Field Office

Mr. Greg Clark, Town of Collierville - Parks and Recreation, gclark@clevelandutilities.com



INTER-BASIN WATER TRANSFER PERMIT

No. IWT000007

Authorization to inter-basin transfer water

Issued By

Tennessee Department of Environment and Conservation
Division of Water Resources
William R. Snodgrass - Tennessee Tower
312 Rosa L. Parks Avenue, 11th Floor
Nashville, Tennessee 37243-1102

Under authority of the Tennessee Inter-basin Water Transfer Act of 2000 (Public Chapter No. 854)

Withdrawing System: Cleveland Utilities

Is authorized: to transfer an 0.125 MGD of water

From the: Lower Tennessee River Basin

To the: Conasauga River Basin

Through the: City of Cleveland, Tennessee

In accordance with the conditions set forth herein.

This permit shall become effective on: March 1, 2015

This permit shall expire on: February 29, 2020

Issuance date: February 1, 2015

for Tisha Calabrese Benton

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Director

CN-0759 RDA 2366

(1) Transfer Authorization and Monitoring Requirements

Cleveland Utilities is authorized to transfer water from the Lower Tennessee River basin, to the Conasauga River basin. This transfer shall be conducted by the permittee as specified below:

The maximum amount of transfer allowed by this permit is 0.125 million gallons per day (MGD).

(2) Definitions

All terms used in this permit have the meanings set forth in the Inter-basin Water Transfer Act and the regulations promulgated pursuant thereto.

(3) General provisions

(a) Renotification

The permittee is not authorized to transfer water after the expiration date of this permit. A renewal application for this permit will be due at least 180 days prior to the expiration date of this permit.

(b) Right of entry

The permittee shall allow the Director or his authorized representatives:

- 1. to enter the owner/operator's or person's premises to observe the transfer of water; and
- 2. to determine compliance with the permit or any impact on the river basin of origin.

(c) Availability of reports

All information submitted in accordance with the terms of this permit shall be available for public inspection at the offices of the Division of Water Resources

(d) Property rights

This permit does not convey or create any property rights, or any exclusive privileges, nor does it override or authorize any infringement of Federal, State, or local laws or regulations.

(e) Severability

The provisions of this permit are severable. If any provision of this permit due to any circumstance is held invalid, then the application of such provision to other circumstances and to the remainder of this permit shall not be affected thereby.

(f) Other information

If the permittee becomes aware that it failed to submit any relevant facts during the notification process or submitted incorrect information during the notification process or in any report to the division, then it shall promptly submit such facts or information.

(g) Signatory requirements

- 1. Written notification submitted to the division shall be signed as follows:
- (i) for a corporation: By a responsible corporate officer. For the purpose of this section, a responsible corporate officer means: (i) A president, secretary, treasurer, or vice-president of the corporation in charge of a principal business function, or any other person who performs similar policy- or decision-making functions for the corporation, or (ii) the manager of one or more manufacturing, production, or operating facilities, provided,

the manager is authorized to make management decisions which govern the operation of the regulated facility including having the explicit or implicit duty of making major capital investment recommendations, and initiating and directing other comprehensive measures to assure long term environmental compliance with environmental laws and regulations; the manager can ensure that the necessary systems are established or actions taken to gather complete and accurate information for permit application requirements; and where authority to sign documents has been assigned or delegated to the manager in accordance with corporate procedures.;

- (ii) for a partnership or sole proprietorship: by a general partner or the proprietor, respectively; or
- (iii) for a municipality, state, federal, or other public facility: either by a principal executive officer or ranking elected official. For the purposes of this Section, a principal executive officer of federal agency includes: (i) the chief executive officer of the agency, or (ii) a senior executive officer having responsibility for the overall operations of a principal geographic unit of the agency.
- 2. All reports required by the permit or information submitted to the division shall be signed by a person designated in part 1 above or a duly authorized representative of such person, if:
- (i) the representative so authorized is responsible for the activity, e.g., a plant manager, superintendent or person of equivalent responsibility;
- (ii) the authorization is made in writing by the person designated under part 1 above; and
- (iii) the written authorization is submitted to the division.
- 3. Any changes in the written authorization submitted to the division under part 2 above which occur after the issuance of a permit shall be reported to the division by submitting a copy of a new written authorization which meets the requirements of parts 1 and 2 above.
- 4. Any person signing any document under parts 1 and 2 above shall make the following certification:

"I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations."

(5) Reporting Requirements

By October 1st of each year, the permittee shall report to the division the average daily amount of inter-basin transfer calculated for the highest continuous 90-day period. The period to be reported shall be from the effective date of the permit to the following June 30th. This information shall be provided to the division in a manner satisfactory to the division.

- (6) Changes affecting coverage under this permit
 - (a) Planned changes

The permittee shall give notice to the division as soon as possible of planned physical alterations or additions to the same stream inter-basin transfer. Any transfer to another person not in the basin of origin shall receive approval by the division prior to the commencement of the transfer.

(b) Change of mailing address

The permittee shall promptly provide to the division written notice of any change of mailing address. In the absence of such notice the original address of the permittee will be assumed to be correct.

(7) Noncompliance

(a) Effect of noncompliance

All activities shall be consistent with terms and conditions of this permit. Any noncompliance constitutes a violation of applicable State laws and is grounds for enforcement action or termination of coverage under the permit.

(b) Adverse impact

The permittee shall take all reasonable steps to minimize any adverse impact to the waters of Tennessee resulting from noncompliance with this permit, including such accelerated or additional monitoring as necessary to determine the nature and impact of the noncomplying withdrawal. It shall not be a defense for the permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit.

(8) Liabilities

(a) Civil and criminal liability

Except as provided in this permit, nothing in this permit shall be construed to relieve the permittee from civil or criminal penalties for noncompliance. Notwithstanding this permit, the permittee shall remain liable for any damages sustained by the State of Tennessee, including but not limited to fish kills and losses of aquatic life and/or wildlife, as a result of the withdrawal. Additionally, notwithstanding this permit, it shall be the responsibility of the owner/operator or person to conduct its activities in a manner such that public or private nuisances or health hazards will not be created.

(b) Liability under State law

Nothing in this permit shall be construed to preclude the institution of any legal action or relieve the permittee from any responsibilities, liabilities, or penalties established pursuant to any applicable State law, as amended.

(9) Permit Revocation, Suspension, or Modification

The commissioner may revoke, suspend, or modify any permit for the following reasons:

- (a) A violation of any terms or conditions of this permit;
- (b) Obtaining this permit by misrepresentation or failing to disclose fully all relevant facts; or
- (c) A change in any condition that requires either a temporary or permanent reduction or elimination of the permitted inter-basin transfer because of reasonably likely adverse impacts to downstream users or the environment.

(10) Permit Appeal Rights

Any person aggrieved by the denial of this permit or the imposition of a permit condition may appeal such matter to the Water Quality Control Board by filing an appeal petition with the commissioner within thirty (30) days of the issuance or denial of the permit.